



Florida House of Representatives

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Rep. Steve Precourt Introduces Changes to "Entertainment Industry Economic Development Act"

TALLAHASSEE, FL – Rep. Steve Precourt (R-41) today introduced modifications and clarifying language to ensure that the original intent of attracting Family oriented film production to Florida is preserved. The measure, known as the Entertainment Industry Economic Development Act (HB 697), is an innovative proposal to stimulate job growth and generate millions in revenue to the state at zero cost to the taxpayer. The tax credit program also levels the playing field for Florida to once again compete in the emerging economic cluster of film and digital media production.

"There was never any intent to be exclusionary and divisive with the original language in the bill. We have addressed this concern and made the needed fixes to the bill language. I have worked closely with the entertainment industry on this legislation. I encourage Floridians to focus on the positive impacts that this legislation will have on creating jobs and attracting the film industry to Florida," stated Precourt.

In recent years, Florida's existing film incentive program has been cut dramatically, resulting in a sharp decline in production projects lost to competing states. The bill creates a film and digital media tax credit that has a proven track record of attracting and growing the industry in other states. The production company will only receive the credit after all its payments have been verified. With the investment occurring before a credit is issued, this is a true performance-based credit.

Although the film office can begin issuing credits upon adoption of the program, credits cannot be claimed for any tax period before July 1, 2011 ensuring no credits will be claimed or issued in the upcoming budget. This will generate substantial amounts of new revenue, create thousands of jobs and boost ancillary businesses.

Other key provisions include an annual cap on total credits starting with \$55 million for fiscal year 2010-2011, \$50 million for fiscal year 2011-2012 and \$27 million for fiscal years 2012 through 2015 plus an increase in the base incentive amount from 15% to 20% for major film, TV and digital media productions and an increase in the "family friendly" project enhancement from 2% to 5%.

HB 697 passed the House Finance & Tax Council and now moves on to the House Floor.

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